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Denmark

Biotechnology

Annual

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Report Highlights:
This report provides an update on the biotechnology situation in Denmark and supplements the EU-27 Annual Agricultural Biotechnology Report (E47044). Denmark is slowly moving towards supporting the EU Commission on biotech approvals.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
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Executive Summary:

The acceptance of genetic modification technology for foods in Denmark is expected to move forward on a slow path and it is unclear whether consumers and retailers will ever readily accept GM-labeled food products. The implementation of EU traceability and labeling regulations has gone smoothly, but as in other EU countries there are virtually no GM-labeled products appearing on Danish food store shelves at the present time. Nevertheless, Danish producers, the food industry and government recognize the potential advantages of biotechnology and believe it is crucial that Denmark invest in biotech research to take advantage of the technology and maintain the competitive position of Danish companies. Danish biotech research is focused on non-food products and feed.

Section II. Biotechnology Trade and Production

No biotechnology crops are grown commercially but in 2007 Monsanto, in cooperation with the Danish Institute of Agricultural Science, planted four test fields in Denmark with GMO pesticide-resistant corn. Danish companies have been developing genetically engineered rapeseeds, beets and grass seeds in Canada, China and Sweden. Danish agricultural researchers are conducting biotech field research at research stations. These include biotech wheat and barley with improved digestibility for animals. If successful, these products would have environmental benefits as a result of lower nitrogen content in the animal manure.

For soy protein production for food applications, Denmark imports annually about 100,000 tons of GM-free soybeans, mainly from the United States. About 1.8 million tons of soybean meal is imported from South America, mainly from Argentina, for use by the feed industry in the production of swine, poultry and dairy feed. These meals most likely are from biotech soybeans and require GM-labeling of the feed. However, since the EU labeling regulations do not require GM labeling of animal products, such as meat, milk and eggs, the current utilization of GM-protein meals in animal feed is not readily apparent to the Danish consumer.

Section III. Biotechnology Policy

As an EU Member State, Denmark takes part in EU policy discussions and decision-making processes regarding the regulation and approval of biotech products. Officials from the Ministry of Family and Consumer Affairs are involved in these matters as it relates to food applications. Officials from the Ministry of Food, Agriculture and Fisheries and the Ministry of Environment are involved in the EU GMO approval process.

The marketing of biotech products in Denmark is regulated in accordance with EU regulations, including EC regulations 1829/2003 and 1830/2003. The Plant Directorate, Ministry of Food, Agriculture and Fisheries controls the traceability and labeling regulations for feed, while the regulations for food are controlled by the Veterinary and Food Administration, Ministry of Family and Consumer Affairs. With the implementation of the EU Traceability and Labeling regulation, marketing of biotech products is regulated in a consistent manner and without government interference.

For the last four years, the Danish minority government has been in favor of voting for EU approvals of GM products. However, the government's generally favorable view of biotechnology has been offset by the opposition parties in Parliament, who have commanded a majority of votes to block all government intentions to vote for biotech approvals at EU

Council meetings. As a result, Denmark has consistently voted against the approval of new biotech applications that have been submitted to the EU Council for approval since 1999.

The first exception to this policy occurred in September 2005, when Denmark decided to vote for EU approval of a biotech corn event (Pioneer 1507) in the EU Council. The Parliament position towards approving biotech is now in a changing process with a general acceptance of biotech. At EU Standing Committees, Denmark has now been voting for the Herculex rootworm product but is requesting more information from the Commission on testing details for the stacked biotech corns.

The change in Denmark's official stance within the EU Council came about because the two opposition parties (Social Democrats and the Radical Left Party) changed position on the approval of new GM products and declared on September 16, 2005, that they were lifting their moratorium. The two parties maintain that they will evaluate each future approval request critically on a case-by-case basis.

The sudden change in the position of the two parties is partly attributed to the implementation of legislation on GM labeling, traceability and coexistence. In earlier years, the lack of regulation in these areas had been cited as a reason for opposing new biotech approvals. Another important factor causing the shift in position may be the fact that they now realize that EU (and Danish) research is falling far behind that of other countries, which have been more supportive of biotechnology research, product approvals and commercial applications. It is also hoped that more EU money will be allocated for research in GM crops, especially for tropical crops that can aid food production and promote economic development in developing countries.

Denmark is a strong proponent for common EU regulations on coexistence. In June 2004, the Danish parliament passed legislation on coexistence between biotechnology and non-biotechnology crops (including organic agriculture). Under the law (Law No. 436 of June 9, 2004 on the cultivation of genetically modified crops), growers of GM crops are responsible for maintaining the proper distances vis-à-vis conventional or organic producers. Producers of conventional or organic crops who believe their production has been damaged by genetic drift from a GM field may apply to the government for compensation, provided they have a minimum loss of DKK 5,000 (about 690 Euros). Compensation will be financed by a fund, partly based on taxes paid by farmers and partly by a tax of DKK 60 (about 8 Euros) per hectare on GM crop plantings.

So far, post is not aware of any plans to grow biotech crops in Denmark in the near future. GM corn varieties, and possibly genetically engineered potatoes, may be the first to attract producer interest.

Section IV. Marketing issues.

Few GM labeled products have been marketed in Denmark. After having been mentioned in the press, they were withdrawn from the market and reformulated with non-GMO content. The only exception is a GM beer (based on GM corn) that is brewed in Sweden and marketed in 2004 at three bars in Copenhagen. After receiving negative attention in the press, two bars discontinued the sales. At this time, this appears to be the only product marketed in Denmark, which is labeled containing genetically modified ingredients.

The retailers at present only foresee disadvantages in marketing labeled biotech products, and over the next several years it seems that this policy will prevail.

Although numerous newspaper articles highlight the benefits of biotech food, the biotech products presently available are seen as only advantageous for producers and without benefits to the consumer. The possibility of a lower consumer price for a biotech product is not considered a strong argument in favor of biotechnology by the average Danish consumer. On the other hand, the public sees no problems in developing biotech food for developing countries. The attitude within a certain part of the society seems to be that biotech has a place in other countries, but not in Denmark.

Section V. Capacity Building and Outreach

None in FY 2007.